

Department of Legislative Services  
Maryland General Assembly  
2007 Session

FISCAL AND POLICY NOTE

House Bill 627

(Prince George's County Delegation)

Environmental Matters

Judicial Proceedings

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**Task Force to Study Rent Stabilization for the Elderly in Prince George's County  
PG 405-07**

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This bill establishes a Task Force to Study Rent Stabilization for the Elderly in Prince George's County. The task force must review current rent stabilization laws of the District of Columbia and other local governments, review the impact of current rent levels on senior citizens in Prince George's County, and make recommendations for any statutory or regulatory changes. The task force must report its findings to the Prince George's County Council by November 1, 2007. Task force members are entitled to reimbursement for expenses. Prince George's County must provide staffing for the task force.

The bill takes effect June 1, 2007, and terminates on November 1, 2007.

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**Fiscal Summary**

**State Effect:** Any expense reimbursements for State officials serving on the task force are assumed to be minimal and absorbable within existing budgeted resources.

**Local Effect:** Prince George's County could provide staff support and pay for any expense reimbursements for task force members who are not State officials with existing budgeted resources.

**Small Business Effect:** None.

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## Analysis

**Current Law:** Charter counties have the express power to enact local laws relating to zoning and planning for the county, for the protection and promotion of public safety, health, morals, and welfare. In Montgomery County, the county has the right to regulate apartment rental business and landlord tenant relationships.

**Background:** According to the 2000 Census, approximately 33% of Maryland households paid more than 30% of their income in rent. Additionally, quality affordable rental housing units are increasingly becoming scarce. The 2004 final report of the Governor's Commission on Housing Policy indicated that there will be a shortfall of 157,000 affordable rental housing units from 2005 to 2015, including 25,000 units for senior citizens.

Rent stabilization is a regulatory program in which the amount that the rent can increase each year, is predetermined. The District of Columbia and other communities have established rent stabilization programs. For example, in Takoma Park, rent stabilization has been in effect since 1980. All landlords that own two or more rental units in Takoma Park, with limited exceptions, are subject to a limit, determined by the Consumer Price Index annually, on how much of a percentage rents can be increased. In the District of Columbia, a landlord is typically allowed to increase rent by a percentage equal to the change in the Consumer Price Index for Urban Wage Earners and Clerical Workers.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** SB 1018 (Senator Muse) – Judicial Proceedings.

**Information Source(s):** Prince George's County, Department of Housing and Community Development, U.S. Census Bureau, Department of Legislative Services

**Fiscal Note History:** First Reader - March 14, 2007  
ncs/hlb

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